

SUMMARY OF H.R. 1252 (NEW TEXT)

“FEDERAL PRICE GOUGING PROTECTION ACT”

Section 1:

Title of the bill.

Section 2:

Prohibits the wholesale or retail sale of gasoline or other petroleum distillates at prices that are *unconscionably excessive* or take *unfair advantage* of consumers. Applies during an “Energy Emergency” declared by the President for geographic areas in the United States for renewable 30-day periods. Factors to be considered in determining whether a violation has occurred include comparing the price charged by a seller during the Energy Emergency to both the average price charged by that seller during the 30-day period prior to the Emergency and the price charged by competing sellers in the same area and during the same period. Further factors include considering any additional costs or risks incurred by the seller; local, regional, national or international market conditions; and whether the seller increased the quantities of gasoline or other petroleum distillates available during the Energy Emergency. Also prohibits the reporting of false pricing information to Federal agencies.

Section 3:

Provides for civil penalties. The Federal Trade Commission (FTC) may enforce the bill as an unfair or deceptive trade practice under the FTC Act and seek civil penalties of up to three times the amount of profits or \$3 million for charging unconscionable prices, and up to \$1 million for providing false information. The FTC is required to give priority to actions against firms with annual sales of gasoline or other petroleum distillates of \$500 million or more.

Section 4:

In addition to any penalty applicable under section 3, any person who violates section 2—(1) if a corporation, shall be fined under title 18, United States Code, not to exceed \$150,000,000; and (2) if an individual, shall be fined under title 18, United States Code, not to exceed \$2,000,000, or imprisoned for not more than 10 years, or both.

Section 5:

Permits State Attorneys General to enforce the bill against *retail* sellers by bringing an action in U.S. district courts after first providing notice to the FTC.

Section 6:

Provides that any civil fines or penalties collected shall be applied to the Low Income Home Energy Assistance program administered by Department of Health and Human Services.

Section 7:

Provides that nothing in the bill preempts other authority of the FTC or the States to take action against the pricing prohibited by this bill.